

change of views is indispensable in the present circumstances.

Senator Deane's speech on the interpretation will be his last since his resignation from the Presidency in September, 1920.

The Democratic Cabinet went into power officially today, with the publication in the Official Journal of nineteen Presidential decrees, one for each Minister and Under-Secretary of State.

Let 'Em All Die, They're Better Off, Says Rum Foe

Lord's Day Alliance Counsel Insists Bootleg Drinkers Have No Value

ALBANY, Jan. 16.—The bootleg liquor drinkers die—let 'em all die. That is the sentiment expressed here today by Robert L. Davey, counsel of the Lord's Day Alliance, who before he enlisted with that organization was chief of staff of William H. Anderson, state head of the Anti-Saloon League.

Mr. Davey's utterance was made while his former colleagues in the fight for a dry America were announcing that in another part of the Capitol that day masters would devote next Sunday to advocating passage of the new anti-alcohol law.

"The public should avoid nervousness over the prohibition situation," Mr. Davey added. "Any man who possesses so little moral fiber that he will sell his soul for a few dollars is of no value to society. He is better dead."

Parley Stops Naval Rivalry, Harding Says

There will never be a reversion to the old methods of secret diplomacy.

Conference to Supplant Conflict

"Diplomats of the old school will of course have their influence from time to time, since there is no conference in the world's history, but their duties will be modified and tempered by the realization that negotiation is becoming the world's method, that publicity is an essential part of the procedure, that conference is displacing conflict, and that hereafter the interests of peoples must be held paramount to the interests of nations."

Continuing he said: "For what this conference has already accomplished and for what the future shall owe to it and the new spirit it has introduced into international affairs, the first and chief debt is owed to one man who had the courage, the vision, the imagination to inaugurate it, and then had the judgment, the discretion and good taste to lead it to its successful conclusion. Some of the rough places in the negotiations, some of the things which have seemed to fear that the modesty and self-effacement of this leader in negotiation and achievement would deny him the credit of recognition and reward. For that we need have little concern."

—by the company he keeps

"No, I can't lend you a million francs," said the great Rothschild to a fellow member of the Paris Bourse who appealed to him for aid in restoring credit.

"But," continued the great financier, "I'll let you walk across the floor of the Bourse with me!"

Now, how better than Rothschild the value of association than a man is generally measured by the company he keeps.

To the man seeking a location for his business home, the architect of the terrace in a building is a real consultation.

The new addition to the Borden Building, Madison Avenue and 45th Street, with daylight on four sides will be ready for occupancy May 1st.

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Italy Demands Cable France Now Controls

Line From America to the Azores Claimed as Share in Allocation by Allies of German Properties

Yap Treaty Is Involved

Rome Threatens to Refuse Signature Unless Concession Sought Is Granted

By Carter Field

WASHINGTON, Jan. 16.—Italy has demanded that she be allotted one of the former German trans-Atlantic cables. The particular cable desired by Italy runs from the United States to the Azores, and formerly ran from those islands to Germany. It is now linked from the Azores to France, in the practical possession, temporarily, of the French government, and is actually serving as a Franco-American cable.

Until the Italian claim for this cable is passed upon, Italy is withholding her approval from the six-power treaty dividing the former German cables in the Pacific. Her spokesmen made it clear today that they had no objection to the distribution of the three German cables in the Pacific, but that they considered all of the German cables to be one problem, and they wished to make sure that Italy was fairly treated in the distribution.

By being fairly treated, Italy means that she wants this particular trans-Atlantic cable. Her spokesmen announced that if awarded this cable the Italian government would at once make arrangements to have a link continued from the Strait of Gibraltar and on through the Mediterranean to Italy.

France Opposes Transfer

Now having possession of the cable, the French are anxious to retain it, and the feeling between the French and Italy, which has bubbled over several times during the discussions of the French naval claims, first on battleships and later on submarines, is expected to rise again.

Especially in view of the repudiation of Briand because of his alleged surrender to Britain in the recent Cannes conference, there is no disposition among the French to take any action which might be regarded as focusing a surrender of French rights.

No comment could be obtained from French sources on this latest development, except that the Italians had made certain demands with regard to the Atlantic cable situation, which every one admits to be part and parcel of the general problem of the disposal among the Allies of the former German cables.

The Pacific cables were allotted one to Japan, the one which ran before the war from Japan to China and has since its seizure by Japan been divided into a Japanese part—a second to the United States—that running from Japan to Guam—and the third to Holland—that running from Japan to the island of Celebes, which belongs to Holland.

Two motives were responsible for granting the cables to Holland. Dutch nationalities owned one-third of the cables and bonds of the former German corporation which owned the cables, and therefore the Dutch were entitled to a one-third interest in the three cables. This equity was satisfied roughly by the arrangement. In the second place, the island of Celebes, so that disposed of this corporation.

Atlantic Problem Complicated

But this arrangement, while acting admirably with the geographic situation in the Pacific, and with the satisfaction of the Netherlands claims, naturally made the final allocation of the Atlantic cables more difficult, since the German cables, as was the case with much of the other German property, were particularly overvalued. Resolutions, were decided by the Versailles Treaty to be the joint property of the United States and Japan, were taken care of in the Pacific agreement. Britain, France and Italy remain with unsatisfied equity, so to speak. And Italy, is very much afraid that unless she makes a real fight she will find herself at the end of this conference—as she did after the Versailles peace conference—with an unsatisfied equity so far as cables are concerned.

Ex-President Wilson is blamed by the Italians for the fact that they were left out of the original cable distribution at Versailles.

New Postal Site Here Sought

WASHINGTON, Jan. 16.—Appointment of a committee to arrange for the exchange of sites for a postoffice and courthouse building in New York between the Federal government and the city is provided in a bill introduced in the House today by Representative Rosendale, of the Bronx.

The commission would consist of three officials appointed by the Postmaster General. Its function, as stated in the measure, is to exchange "the land known as the old postoffice site in the city of New York for other land to be located by the city of New York in exchange for such site." The commission also "shall confer and arrange with the authorized committee of the Board of Estimates of the City of New York, consisting of the Mayor, Comptroller and President of the Borough of Manhattan."

Alpine Climbing Cost 107 Lives Last Year

BERNE, Jan. 16.—During 1921 tourists and climbers to the number of 107 were killed in the central and eastern Alps, mostly from falls, according to official statistics just published.

Eight persons have been killed in the last four days by avalanches. Five of them, wood cutters, were buried by a huge slide on the Tyrolean frontier.

Hughes Warns That U. S. Holds Open Door Vital

(Continued from page one)

that the demands do give special interests to Japan in violation of the open door principle. She asserts that the fact that the demands were signed by China under duress should be taken into account, explaining that Japan presented the demands secretly in 1915.

Mr. Hughes's reference to the Shantung controversy in postponing consideration of the open door bill, is based on the fact that the first of the demands concern Shantung. They provide that China shall acquiesce in the arrangement Japan makes with Germany in the Shantung railway and other former German property.

Note to Dr. Sze Recalled

Neither the text of the proposed formula on the open door nor Mr. Hughes's remarks were given in today's communiqué. But it was learned from an official source that the Secretary of State reiterated the views of this government contained in a note to Dr. Sze-Ko Alfred Sze, the Chinese Minister to Washington. This note was delivered to Minister Sze on July 1, 1921, and has been given little prominence at that time but now is regarded as of importance in view of the Far Eastern situation. The note said, in part:

"The government of the United States has never associated itself with an arrangement which sought to establish any special rights or privileges in China which would abridge the rights of the subjects or citizens of other friendly states, and I am happy to assure you that it is the purpose of this government neither to participate nor to acquiesce in any arrangement which might purport to establish in favor of foreign interests any superiority of rights with respect to commercial or economic development in designated regions of the territories of China, or which might seek to create such monopoly or preference as would exclude other nations from undertaking any legitimate trade or industry or from participating with Chinese government in any category of public enterprise."

The open door formula is to be acted upon when the other powers express their views to-morrow.

100 Million Taxes Seen in Davenport Bill

Measure Offered at Albany Said to Propose Additional Burden on Capital To Be Paid State by May 1

Meet Richmond Decision

Saxe Ascerts Legislation Is Effort to Validate Bank Stock Leases for 1920-'21

State Senator Frederick M. Davenport has introduced a bill in the Legislature which, in the judgment of local financiers, will collect, if it becomes a law, \$100,000,000 before May 1, 1922, in addition to the existing state income tax.

The proposed new law appears to be aimed at the individual and the private banker, doubtless on the theory that such have escaped heretofore.

When printed copies of the bill were read in the financial district yesterday there was widespread astonishment that such a bill was sponsored by the chairman of the Senate Committee on Taxation and Retrenchment.

In practical operation, if a taxpayer owns \$100,000 of 5 per cent bonds, he pays a state income tax of about \$50 a year. Under the proposed Davenport bill the same taxpayer would pay \$100 for each of the years 1920 and 1921, before the 1st day of May this year.

Additional Tax on Capital

Martin Saxe, former president of the State Tax Board, said yesterday that the proposed law would tax capital at the rate of 1 per cent, wherever found, in addition to present taxes.

"There is an additional tax to that imposed by the state upon the income of such moneyed capital," said former Senator Saxe. "The effect of this drastic attempt to single out moneyed capital and subject it to double taxation is the so-called City of Richmond decision in the Federal court, which declared taxes in the City of Richmond on the shares of stock in the plaintiff bank to be illegal because the same bank levied upon other capital, which is forbidden by the Federal law."

"To overcome the effect of this decision," Davenport is seeking to impose the 1 per cent state tax upon moneyed capital, which is the rate the tax law fixes upon state and national bank shares. Senator Davenport's amendments are designed to be curative statutes to square the New York tax law to the Richmond decision.

However, they are contrary to the policy of the state adopted as part of the income tax law, whereby in consideration of the new system of taxing incomes the moneyed capital from which incomes are derived are exempted.

Bank Stock Levy Suit Pending

"Therefore the amendments wholly subordinate the rights of the individual citizen and private banker to the frantic attempt to overcome the effect of the Richmond decision upon the assessment of bank shares throughout the state made for the years 1920 and 1921 and desired to be made in the future. A test case as to the legality of the 1921 bank share assessments in New York City is now pending."

"The bank stock taxes for the years 1920 and 1921 throughout the state which are attempted to be validated by the Davenport bill do not exceed for both years \$14,000,000. These are entirely local taxes, payable to the cities, towns and villages—about two-thirds of which goes to the City of New York. The state will not be affected or lose a dollar in taxes if the bank stock taxes for 1920 and 1921 are held to be illegal. This attempt to offset a possible loss of \$14,000,000 of local taxes, amounting to the moneyed capital in the state amounts to \$5,000,000,000, which is a conservative estimate, would result in the state receiving in these two years alone \$100,000,000 of additional taxes. Such a vast amount coming into the state treasury would only tend to extravagance and expenditure, which Governor Miller is seeking to curtail in his policy of economy and retrenchment."

Hangs Crepe, Then Himself

MALONE, N. Y., Jan. 16.—Allen Merritt, forty-five years old, a farmer, living at Crook's Corners near here, hung crepe on the door of his house this afternoon and then re-entered went upstairs and committed suicide by hanging.

St. Louis Cashier Surrenders

ST. LOUIS, Jan. 16.—Arthur O. Meinger, cashier of the Night and Day Bank which closed here following his disappearance January 6, when a shortage of \$74,000 was discovered, to-night surrendered voluntarily.

Vincent Kerens Fined \$25 For Alleged Death Threats

ST. LOUIS, Jan. 16.—Vincent Kerens, a bond broker of New York, son of the late Richard Kerens, former Ambassador to Austria-Hungary, was fined \$25 in police court here today on a peace disturbance charge after it had been testified he had threatened the life of James Smith, guardian for his brother, Stanislaus, who is confined in a local sanatorium.

Alliance Charge Reiterated

"The special delegation of the Far Eastern Republic," the Japanese government made regarding the documents published.

"For almost five months the Japanese have been trying to force the delegation of the Far Eastern Republic to accept their terms, which would mean the surrender of the sovereignty of the Russian people in the Far East. The Japanese are using the conference at Dairen for the purpose of making it appear that the Russian Far Eastern problems are being settled there and that there is no need to take them up at the Washington conference."

China and Table Crystal of rare charm at 10% to 50% discount.

Excellent China and Crystal at very unusual prices

EVERY year Ovington's provides New York hostesses the opportunity of getting the most charming china and table crystal at very attractive prices.

It's an old Ovington custom, this January sale. This year the discounts are from 10% to 50%—and nothing in the entire Ovington collection of china and table crystal is exempt.

Ovington's

"The Gift Shop of Fifth Avenue"

FIFTH AVENUE AT 39TH STREET

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Senate Urged to Tighten Ban on Election Funds

Willis Amendment Would Include Regulation of Expenditures in Primaries

WASHINGTON, Jan. 16.—As an amendment of the primary election law, Senator Newberry, of Michigan, various moves were made in the Senate today looking to the tightening up of election law.

Senator Willis, of Ohio, offered a proposed constitutional amendment which would give Congress authority to regulate the use of money in elections.

The amendment, if ratified, would overcome the decision of the Supreme Court of the United States that Congress is without authority to regulate expenditures in primaries.

Senator Pomerene, of Ohio, Democrat, who led the fight against Senator Newberry, offered a resolution which would give the Senate authority to conform with the corrupt practices act.

Under this rule, any Senator who willfully violated the restrictions as to expenditures would be excluded from the Senate. It would be limited to \$10,000.

Senator Kenyon, of Iowa, introduced a bill, similar to the Cable bill in the House, which would limit the amount of money that a Senator could spend on his campaign.

It provides for expenditures on a per capita basis, with \$25,000 as the maximum limit.

12 Perish as Explosion Destroys German Ship

Eleven of Crew, Including Wife of Chief Officer, Lost in Leap From Burning Vessel

LONDON, Jan. 16 (By The Associated Press).—Eleven members of the crew of the German steamer Vesta, bound from Hamburg to Lisbon, as well as the wife of the chief officer, were killed as the result of an explosion on the ship Sunday night following a fire.

Details of the disaster as related by the captain of the Vesta are that during heavy weather the deck cargo of the vessel, consisting largely of naphtha, shifted. An explosion occurred, and a few minutes later the whole vessel was in flames, with the exception of the spardeck which bridge, where the crew huddled for safety.

A boat was lowered, but it was engulfed in the heavy seas and its three occupants were drowned. The mate, including his newly married wife in his arms, jumped overboard. Both perished. Others of the ship's company also plunged into the sea from the now burning vessel, only to sink beneath the waves. Finally the chief officer and nine men were left on the ship.

They were rescued after great difficulty by a trawler after six hours' work and when they were abandoned hope. Those rescued had been scorched by the flames and partially asphyxiated by the naphtha fumes.

Centralized Purchasing Bureau Bill Presented

Cuvillier Offers Resolution to Bar Citizens Union Envoys From Assembly Floor

ALBANY, Jan. 17.—Senator Charles J. Hewitt introduced a bill in the Legislature to-night creating a bureau of standards in the State Board of Estimate and Control. The measure carries out recommendations made by Governor Miller in his message for a centralized purchasing system which would place state buying on an efficient and economical footing.

The bureau is to be headed by a superintendent of purchase, who is to be named by the Board of Estimate and Control. The bureau of standards is to have supervision over all materials, supplies and equipment purchased for state use. While it is specified that department heads shall be taken into consultation in the fixing of standards for materials used by them, a reservation is made which provides that the Board of Control shall act as arbiter in such disputes and that its decisions shall be final.

A bill introduced by Senator Seymour L. Lowman, of Elmira, permits the State Tax Commission, through its automobile bureau, to create a bureau of speed law enforcement in rural districts. The bureau's force is to consist of twenty-five inspectors, who are to co-operate with the state police. Among other things, the measure provides that trucks under two tons capacity and when they are loaded with more than twenty miles an hour, shall not go faster than fifteen miles an hour.

A resolution introduced to-night by Assemblyman L. A. Cuvillier, of New York, would deny representatives of the Citizens' Union of New York privileges of the floor in the Assembly. Mr. Cuvillier said the Citizens' Union should be censured for "charging members of the legislature with improper and ulterior motives in passing legislation."

DEL MONICOS

FIFTH AVENUE AND FORTY FOURTH STREET

BEG TO ANNOUNCE THE OPENING OF THE "CLUB DURANT"

ON WEDNESDAY EVENING, JANUARY THE EIGHTEENTH AT ELEVEN O'CLOCK UNDER THE DIRECTION OF

MR. BASIL DURANT and MISS MARY McCORD WHO WILL APPEAR AT 12 M AND 2 A.M. NIGHTLY THEREAFTER.

BENNY KRAEGER and his BRUNSWICK ORCHESTRA

Flint's Fine Furniture

MID-WINTER SALE INCLUDING ORIENTAL RUGS AT REDUCTIONS OF 10% TO 50%

Bringing price levels so low as to probably mark the limit for a long period replacement costs having shown decided advances during the last few days. An instance of the value offered:

Solid Mahogany 4-POST BED (Illustrated), 3 ft. 6 in. wide, Box Spring, made ticking \$28.50

Mattress, special black hair, 12 in. to match, spring \$24.50

Flint & Horner Co. Inc. 20-26 West 36th St. "Conveniently near Fifth Avenue"

Funding Bill To Be Reported Without Bonus

Payments to Soldiers for First 2½ Years Must Be Provided From Other Sources, Senators Agree

\$1,600,000,000 Needed

Survey Begun to Discover Additional Sources of Revenue for the Purpose

WASHINGTON, Jan. 16.—The Senate Finance Committee today ordered the foreign debt funding bill reported to the Senate. The soldiers' bonus bill was not attached to it. Moreover, certain features in the funding bill which were objectionable to Secretary of the Treasury Mellon had been eliminated.

The committee did not take up the bonus bill formally, but it was considered by Republican leaders on the committee in an informal way. Joseph S. McCoy, actuary of the committee, was directed by it to prepare a statement showing how money could be derived from a number of possible sources of revenue. This is in pursuance of a plan to raise \$1,600,000,000 for the bonus fund in the first two and one-half years of the operation of the proposed bonus law. After that it is expected that the necessary fund can be raised from interest on the Allied debt, and especially the British debt.

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Riot as Dublin Castle "Falls" To Irish Rule

plus the sales of British bonds. Senator McCumber, in fact, has estimated that \$1,600,000,000 would meet the cash payments under the bonus, but there wide variance of opinion on this point and many believe more will be needed.

In ordering the debt funding bill reported the committee struck out the provisions calling for semi-annual interest payments and making the minimum interest rate 5 per cent. Secretary Mellon objected to both of these in the ground they would hand cap the Treasury in negotiating with foreign governments. Democratic Senators opposed the elimination of these provisions.

Senators Simmons, of North Carolina, and Jones, of New Mexico, especially opposed striking them out, and because of their elimination will fight the bill. It is the view of Senator Simmons that, while interest payments probably will have to be deferred in some instances, Congress should not for that reason fail to stand for semi-annual interest payments. The provision fixing the life of the bonds to be accepted from foreign governments at twenty-five years remains in the bill. Otherwise it is substantially the House measure and entrusts the funding of the debt to a commission headed by the Secretary of the Treasury.

Senator McCumber, chairman of the Finance Committee, announced his intention of pushing the funding bill without waiting for the arms conference to close.

Gold in Buffalo Street

Sand Excavated Said to Assay \$50 a Ton